ter: Would they really make any sincere effort by appointing a committee or asking someone to go into the working conditions of the people and revise their wages and hike up the prices of these priceless goods?

SHRI J. VENGAL RAO: Sir, recently the Ramakrishniah Committee was appointed. They submitted their first report. Recently they submitted their second report and it is under the consideration of the Government. For the information of the honourable Member, employment under khadi production in 1955-56 was 6.57 lakhs. In 1973-74 it was 8.64 lakhs. In 1983-84 it was 13.58 lakhs ... (*Interruptions*) ...This is the employment position I am telling you.

SHRI N.K.P. SALVE: I must seek your protection, Sir. The thrust of my question is whether they have appraised themselves or not that the payment being made to their employees and workers is extremely uneconomical. If they have not appraised themselves and have not changed the wage structure, would they appoint a committee to do so?

SHRI VASANT SATHE: He was answering the earlier question.

SHRI J. VENGAL RAO: We have appointed a commission, and they have submitted a report recently. It is under the consideration of the Government.

MR. CHAIRMAN: The question is very simple. He says that there are shawls which you are selling very cheap, but so far as the wages are concerned, they are very low. Will you think of hiking up of wages and prices, both? That is all. It is a very simple question. You consider it.

SHRI J. VENGAL RAO: About shawls, about khadi, and these things...

MR. CHAIRMAN: You will consider.

SHRI J. VENGAL RAO: The committee has recently submitted the report. We are considering it.

Multinational MRTP and FERA Companies

*323. SHRI ASHOK NATH VERMA: Will the Minister of INDUSTRY be pleased to state:

(a) what are the names and business activities of multinational MRTP and FERA companies falling under section 20(A) and section 20(B) of the MRTP Act;

(b) whether multinational MRTP and FERA companies are allowed to encourage small scale ancillary units under the new 20 Point Economic Programme and market their products either on their own trade name or otherwise and if so, what are the details thereof; and

(c) whether multinational MRTP and FERA companies are permitted to market the products of independent small scale units not associated in any manner, whatsoever, with such companies, if so, what are the details thereof?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) to (c) A statement is laid on the Table of the House.

Statement

(a) The names and business activities of the FERA companies registered under the MRTP Act are given in the enclosed Annexure. (*See* below)

(b) and (c) Some companies in the large scale sector market products of the small scale sector, though there is no special scheme for the purpose. However, MRTP and FERA companies are required to obtain necessary permission wherever required under the relevant Acts for undertaking trading activities including the marketing of the items produced in the small scale sector.

Annexure

Sl. No.	Name of the Company	Main Business Activity in the year for which latest balance sheet is available
1	2	3
1	Audco India Ltd.	Manufacture of Gate, Globe and Check, Plug and Ball.
2	Associated Bearing Co. Ltd. (Now SKF Bearings India Ltd.)	Manufacture of Bearing and Textile Machinery components.
3	Atic Industries Ltd.	Manufacture of Dyestuffs and Chemicals, (other than Fertilisers)
4	Brakes India Ltd.	Manufacture of Brake Systems (complete/ parts/components) and Castings.
5	Bayer (India) Ltd.	Manufacture of Agro Chemicals, Rubber Chemicals & Intermediates and Pharmaceuticals.
6	Dr. Beck & Co. India Ltd.	Manufacture of Wire Enamels and Impregnating Varnishes, Synthetics Resines and Methanol.
7	Chloride India Ltd.	Manufacture of Storage Batteries.
8	Drayton Greave Ltd.	Manufacture of Pressure control Equipment, Components for Industrial Machinery, Boilers and Spares and Accessories.
9	Doom Dooma India Ltd..	Production of Tea.
10	English Electric Co. of India Ltd.	Manufacture of Control Panels, Relays and Circuits Breakers.
11	Everest Building products Ltd..	Manufacture of Asbestos Cement products.
12	Ennore Foundries Ltd.	Manufacture of Ferrous and Non-Ferrous Castings.
13	Flender Macneill Gears Ltd.	Manufacture of Gears, Gears Couplings and spares.
14	General Electric Co. of India Ltd.	Manufacture of Electric Fans, Motor, Pumps, Switch Gears, Fitting meters.
15	Greaves Foseco Ltd.	Manufacture of Foundry Fluxes/Foundry Chemicals & Profax.
16	Goodyear India Ltd.	Manufacture of Automotive Tyres, Automotive Tubes and Repair Materials.
17	George William Son (Assam) Ltd.	Production of Tea.
18	Guest Keen Williams Ltd.	Manufacture of Fan, Motor & Generator, Stampings, Hot Rolled Bars, Rods and sections and Bolts, Nuts Rivetts.
19	Hindustan Ferodo Ltd.	Manufacture of Asbestos Textiles, Jointing/ Limpet Sheets and Brake linings

1	2	3
20	Hindustan Lever Ltd.	Manufacture of Soaps, Detergents and Chemicals.
21	Indian Explosives Ltd. (Now IEL Ltd).	Manufacture of Urea/DAP, Rubber Chemicals, Dyphenlamine and Pharmaceuticals.
22	Ingersol Rand (India) Ltd.	Manufacture of Air & Gas Compressors, Rock Drilling Equipment and Feeder Crushers.
23	Indian Xerographic Systems Ltd.	Manufacture of Xerographic Equipments & Systems.
24	Kirloskar Cummins Ltd.	Manufacture of Internal Combustion Engines.
25	Lucas T.V.S. Ltd.	Manufacture of Starters. Generators and other Electronic Appliances.
26	L.M. Van Moppes Diamond Tools (India) Ltd.	Manufacture of Diamond Tools and Lapping Compounds.
27	Motor Industries Co. Ltd	Manufacture of Spark Plugs and Fuel Injection Equipments.
28	Mahindra Sintered Products Ltd.	Manufacture of Sintered Bearings & Parts, Sintered Filters and Metal powders.
29	Moran Tea Co. (I) Ltd.	Production of Tea.
30	Otis Elevator Co. (India) Ltd.	Manufacture, Supply, Installation and Service of Lifts, Escalators and Trav-O-Lators.
31	B. 11 Windsor (India) Ltd (Now Klockner Windsor (I) Ltd.	Manufacture of Injection Moulding Machines, Extrudors and take off Equipment and spare parts.
32	Siemens (India) Ltd.	Manufacture and Services of Switchgear items Switch boards, Control Boards & Miscellaneous Accessories and Electric Motors/Generators.
33	Tata Klockner Industrial Plants Ltd.	Supply and Servicing of Equipment in industrial plant sector including chemicals & petrochemicals, infrastructure, pulp and paper ferrous and non-ferrous metallurgy and related industries.
34	Tribeni Tissues Ltd.	Manufacture of Paper, Pulp and Chalk.
35	Tea Estates India Ltd.	Production of Tea, Coffee and Cardamom.
36	Tractor Engineers Ltd.	Manufacture of Crawler Tractor parts.
37	Union Carbide India Ltd.	Manufacture of Batteries, Polyethylene and Flashlight Cases.

SHRI ASHOK NATH VERMA: Mr. Chairman, Sir, the MRTP Commission was set up in 1970, a year after the MRTP Bill was passed, as a watchdog on the activities of MRTP compaines with two main objectives:

(i) To ensure that "the ownership and control of material resources of the community are so distributed, as best to subserve the common good", and

(ii) That "the operation of the economic system does not result in concentration of wealth and means of production to the common detriment."

Yet the monopoly houses have grown at a phenomenal rate multiplying their assets ten times since the MRTP Act was made 18 years ago, exposing legal loopholes to create company after company without attracting the penal or restrictive provisions of the MRTP Act. It shows that despite the existence of the so-called MRTP Act the Government could not control their activities by this Act with the result that lakhs of small-scale units have been made sick from the grassroots. This categorically shows that this was just a propaganda that the Government was coming with a heavy hand to control restrictive and unfair trade practices of the MRTP compaines.

SHRI J. VENGAL RAO: Sir, he is reading from the MRTP Act. It is not a question.

SHRI JAGESH DESAI: It is the background.

SHRI ASHOK NATH VERMA: Would the Industry minister state the positive steps the Government has taken or is likely to take for successful implementation of the objectives referred to above and how the Government will stop the continuous multiplying of illegal assets by the MRTP compaines at the cost of small-scale sector and innocent poor consumers?

SHRI J. VENGAL RAO: Sir, the question is:

"what are the names and business activities of multinational MRTP and FERA companies falling under section 20(A) and section 20(B) of the MRTP Act;"

This is the question. He is asking something else. What can I do, Sir?

SHRI ASHOK NATH VERMA: He can reply at least to the point about small-scale units.

SHRI J. VENGAL RAO: Sir, what is the question? I don't understand it. Kindly see the question once.

MR. CHAIRMAN: I have read it twice.

Mr. Verma, put a pointed question, and you will get a pointed answer. What is it that you want to know?

SHRI ASHOK NATH VERMA: What steps is the Government taking to safeguard the interests of the small-scale units which are lying sick?

MR. CHAIRMAN: What steps are you taking so that ancillaries, may not be exploited. Is that correct?

SHRI ASHOK NATH VERMA: Yes.

SHRI J. VENGAL RAO: We are not allowing any FERA companies. We are not encouraging them; we are discouraging them from encroaching the small-scale sector area.

SHRI ASHOK NATH VERMA: Sir, ...

MR. CHAIRMAN: I have also put the question and he has given the answer.

SHRI JAGESH DESAI: Sir, I would like to draw the attention of the Hon. Minister to the answer given in parts (b) and (c). MRTP and FERA companies are required to obtain necessary permission for marketing and trading activities, including marketing of items produced in the small-scale sector. I would like to know from the Minister how many FERA companies have been given permission to market and trade the goods manufactured by small-scale industries. I would also like to know whether the FERA companies are trading in their own names or they are

selling on behalf of the small-scale industries. I am asking this question because when they sell under their own trade name, they make huge profits and this profit because they are FERA companies, are repatriated to the foreign countries. As a result our foreign exchange is being drained out in this manner. Therefore, I would like to know for trading activities whether FERA companies will be excluded and this activity will be given to the Indian companies so that there is no drain on our foreign exchange.

SHRI J. VENGAL RAO: Sir, I have placed on the Table names of the MRTP, FERA and multi-national companies. They are 37 in number. During all these years we have given permission to only a few FERA companies for undertaking fresh trading activities.

SHRI JAGESH DESAI: Who are they?

SHRI J. VENGAL RAO: Some of them are: The Tractor Farm Equipment India Ltd. The Motor Industries Company Ltd. and Widia Ltd. We have given permission to only to a few compaines. We are not encouraging fresh trading activities by FERA companies.

SHRI J. VENGAL RAO: Yes.

Welcome to Parliamentary Delegation from Malaysia

SHRI CHATURANAN MISHRA: I have an announcement to make.

We have with us this morning, seated in the Special Box, Members of a Parliamentary Delegation from Malaysia which is currently on a visit to our country under the distinguished leadership of Hon. Senator Dr. Nordin Bin Ahmad Selat. The other members of the delegation are:

1. Hon. Senator Mohd. Noor Bin Bedah
2. Hon. Senator Madame Law Jack Yoon

On behalf of the Members of the House and on my own behalf, I take pleasure in extending a very healthy welcome to the leader and other Members of the delgation and wish our distinguished guests a very enjoyable and fruitful stay in our country. We hope that during their stay here they would be able to see and learn more about our Parliamentary system our country and our people and their visit to this country will further strengthen the friendly bonds that exist between us. Through them we convey our greetings and best wishes to the Members of Senate (Dewan Negara) and the friendly people of Malaysia.

ORAL ANSWERS TO QUESTIONS— *Contd.*

श्री चतुरानन मिश्रा : सभापति महोदय मैं तीन बिन्दुओं पर सरकार से प्रश्न पूछना चाहता हूं । पहली बात तो यह है कि ये मल्टीनेशनल कम्पनियां, एम० आर० टी० पी० और फेरा कंपनियां इस देश के मोनोपाली हाउसेज के साथ मिलकर एक तरह का कारटल फार्म कर लिये हैं और प्राइसिस को नीचे नहीं होने देना चाहते हैं जैसे टायर उद्योग में, सीमेंट उद्योग में, और ऐस्बेस्टस उद्योग में ये कारटल फार्म कर लिये हैं और प्राइसेज को बहुत ऊंचे लेवल पर रखते हैं, नीचे नहीं होने देते हैं । मैं जानना चाहता हूं कि सरकार को इस संबंध में क्या जानकारी है ? मेरा दूसरा सवाल यह है कि कितना फारेन एक्सचेंज इन कम्पनियों ने अर्न करके हमको दिया है और तीसरी जानकारी मैं यह लेना चाहता हूं कि इन 37 कंपनियों में कितनी ऐसी है जिनके टेक्स इवेजन के मामले सरकार के विचाराधीन हैं ? इन तीन बिन्दुओं पर कृपा करके सूचना देने का कष्ट करें ।

SHRI J. VENGAL RAO: Sir, the question and the supplementary are different. How can I answer this supplementary?

SHRI CHATURANAN MISHRA: Hear me, Sir. The question is what are the names and business activities. It is a part of the business activity to fleece the people of India, to charge higher prices Here is the word. If the Hon. Minister does not go by that, then he is helpless.

MR. CHAIRMAN: If you are not prepared, that is a different story, but I personally think...

SHRI J. VENGAL RAO: I am prepared, Sir. Kindly see part (a)—What are the names of the business activities of the multi-nationals...

MR. CHAIRMAN: I have read three times. He wants to know about the link between the multi-nationals and FERA companies. Whether you are doing something...

SHRI CHATURANAN MISHRA: To keep the prices under check, it is part of their business.

SHRI J. VENGAL RAO: We are not encouraging them in trading activities.

MR. CHAIRMAN: That is all. ... (*Interruptions*) ... He is trying to stop it.

SHRI CHATURANAN MISHRA: I have specifically asked because it has come in the newspapers that industries like tyre ...

SHRI A. G. KULKARNI: This has not come in his brief. What is the use of its coming in the newspapers?

SHRI CHATURANAN MISHRA: I cannot help the briefless Minister. If he is not informed, then, he can tell us that it will be taken up later on. Sir, you should also give us protection that the Government is not prepared to answer the question, the question is postponed and the next day it will be asked. Anyway it is up to you Sir. it is a very important thing because the prices are kept abnormally high. I have given the specific instance of cement, tyres and all these things. So you should give us protection.

SHRI N.K.P SALVE: Sir, is this not within the ambit of the question?

MR. CHAIRMAN: The House is interested in there not being higher pricing by any link whatever and you have quoted and the Minister will look into it.

SHRI J. VENGAL RAO: Sir, these are linked with the...

SHRI N. K. P. SALVE: Sir, it is a serious question. The business is being conducted...

SHRI CHATURANAN MISHRA: These are all related questions. So the total foreign exchange...

SHRI A. G. KULKARNI: Sir, what is meant by the will look into it"? Will it be replied at any moment of time, after 10 years or 5 years?

MR. CHAIRMAN: He will try his best to see that this is not there.

SHRI N. K. P. SALVE: Sir, we appreciate the protection that you are giving to him. This is a very important question and their business activities are carried in such a way that it looks like a cartel, trying to function like a cartel, trying to manipulate prices in a manner as would bring about a much higher burden on the consumers. So that is very much a relevant question and within the ambit of the main question.

SHRI J. VENGAL RAO: Sir, we are *not encouraging them in trading activities.* We are not giving them permission also.

SHRI CHATURANAN MISHRA: Sir, it is not a question of encouragement. If the Minister seems to be encouraging, then, a criminal case will be proceeded against him. May I know from the Minister, whether the Government is discouraging this activity or not? May I also know whether the Government is putting any legal break? The question is not that the Government is not encouraging... (*Interruptions*)...

MR. CHAIRMAN: The Minister is saying that he is not encouraging.

SHRI CHATURANAN MISHRA: This is a cartel.

MR. CHAIRMAN: He will discourage them.. (*Interruptions*).

SHRI V. NARAYANASAMY: He does not know even about the foreign exchange earned by the multi-nationals and given

to our country. It was a very specific question put by him. It is a very important question also.

SHRI CHATURANAN MISHRA: Give us some protection. I also asked two other points: What is the total foreign exchange earned by these companies? The Minister has not replied to this point. The second thing was: Which are the companies against whom cases of tax evasion are pending?

SHRI J. VENGAL RAO: The question is neither on the tax evasion nor on the foreign exchange.

SHRI N. K. P. SALVE: Is it not a business activity? Do their methods of business constitute them as cartel or not? Hiking of prices is very unfair burden on the consumers. Sir, is this not part of the question? If it is not, I will sit down.

MR. CHAIRMAN: He says tax evasion is not...

SHRI N. K. P. SALVE: We are not talking about tax evasion. At least I am not talking about it. We are talking about the business activity conducted in a very dengerous and pernicious manner.... (*Interruptions*)...

MR. CHAIRMAN: Chatuananji, tax evasion does not come...

SHRI CHATURANAN MISHRA: They are all evading taxes. It is part of their business... (*Interruptions*)...

MR. CHAIRMAN: Please see the whole question. The question of checking the tax evasion is the job of the Finance Ministry and not the Ministry of Industry. But they may not make undue profit. that he will see. He has said that he will take care of that and if it is happening, he will stop it.

SHRI N. K. P. SALVE: Sir, you have been kind enough to say that. He has not said that. (*Interruptions*)... He has not even relented. You have been kind enough to say that. Therefore, we sit down.

SHRI J. VENGAL RAO: I have already told that we are not encouraging these people.

MR. CHAIRMAN: Will you discourage?

SHRI J. VENGAL RAO: We are discouraging, Sir.

*324. [*The questioner (Shri Satya Prakash Malaviya) was absent. For answer* vide *col.* 37-38 infra]

Leakage of Kerosene from the Storage tank at Noonmati, Gauwahati

*325. SHRI KAPIL VERMA: †
SHRIMATI SATYA BAHIN:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that a large quantity of superior kerosene gushed out of a storage tank of the public sector refinery area at Noonmati near Guwahati in October last; if so, what were the reasons of the leak and what was the quantity and cost of Kerosene lost; what measures were taken to deal with the situation; and

(b) whether any enquiry was conducted into the leakage if so, what are the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHM DUTT): (a) and (b) A statement is laid on the Table of the Sabha.

Statement

(a) There was an incident of kerosene leakage from process piping in Guwahati Refinery on 30-10-1988. When the transfer of kerosene was being done from one tank to another using a pump, the leakage of kerosene took place through a section of discharge line which was taken out of service earlier for some modification job but was inadvertantly not isolated properly.

†The question was actually asked on the floor of the House by Shri Kapil Verma.